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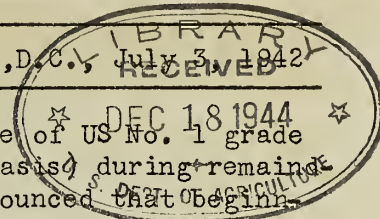
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UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Marketing Administration

No. 23

AMA "WAR BOARD" LETTER

Wash., D.C., July 3, 1942



CHEESE: USDA has announced it will continue to support price of US No. 1 grade American cheese at 20 $\frac{1}{2}$ cent lb. (Wisconsin Cheese Exchange basis) during remainder of year to encourage continued high production. Also announced that beginning July 3 purchases will be made of a grade of cheese to be known as US No. 2A, quality requirements of which are US No. 2 cheese suitable for L-L handling under wartime conditions of storage and shipping. Since March, 1941, AMA has purchased more than 371,000,000 lbs. US No. 1 American cheese. Inclusion of US No. 2A cheese in purchase program will help relieve current large supplies of cheese not meeting US No. 1 requirements. In addition AMA plans purchase of 7,500,000 lbs. canned processed cheese. Part of cheese in this product can be US No. 2 quality. NOTE: Although US No. 2A cheese will be purchased, Dept is emphasizing production of higher quality product. Price to be paid for US No. 2A will be substantially below No. 1 grade price. So, while buying US No. 2A cheese will help prevent drastic price drop of below No. 1 grades, Dept. officials stress importance of providing adequate price incentive for quality improvement. Most of food AMA now supplying under L-L cannot be consumed within several months - some of it within a year - therefore, good quality product is necessary for keeping.

TRUCK TRANSPORTATION: Effective date of the 75 per cent return load provision, (affecting the movement of farm freight to markets, canneries, processing points, etc.) has been extended by ODT until July 15, pending possible revision. O.D.T. has established district offices in 50 cities* to grant or deny "permit requests" of private and contract carriers seeking exemption from the 75 per cent requirement. Exemptions are covered by the following paragraph of the Order: "501.29 Operations by Special Authority. The provisions of this order shall not apply to any motor truck which is engaged in a movement that is authorized by special or general permit of this office."

NOTE - These requirements will not apply to transportation (1) wholly within municipal or urban areas, (2) within 25 air miles of urban boundaries, (3) between contiguous communities, (4) hauls not over 25 miles in length, or (5) delivering property directly to ultimate consumers, in a truck not carrying other property, which leaves and returns to the point of origin on the same calendar day.

NOTE ALSO - No provisions of the O.D.T. Order apply to farmer - owned trucks when engaged in handling farm products from farm to town, or in handling farm supplies in the reverse direction.

STORAGE: Grain storage situation still bad, USDA officials studying situation are preaching more farm storage. Say need cannot be over-emphasized. Some reports that mills are holding up their private storage space, but officials unable to find specific instances. Elevators, warehouses and mills are being asked to release more space for grain storage, but officials feel that this will amount to "only drop in bucket" compared with real need. Repeat only hope is increased farm storage. CCC prefabricated grain bin program now operating with bins moving into Texas harvest areas. 60 manufacturers over country turning out bins. Cost these bins runs no more than 15¢ per bu. CCC pays 7¢ per bu. for farm storage. Net cost of bin to farmer for year is 8¢ per bu. Peanut storage program has been recommended to WPB by USD. Contemplates construction of 30 to 35 temporary wooden warehouses with about 100,000 tons capacity and 350 portable conveyors that also could be used in existing warehouses converted for peanut storage.

* See next letter for list of cities.

Now awaiting WPB decision on priorities. Private financing to be encouraged, but may have to use CCC funds for some.

CONTAINERS: Tin situation is getting tighter. WPB has issued amendment to conservation order M-81 placing further restrictions on use of tin plate andterne plate for canning. Hits canning of grapefruit and lime concentrate; cocoanut and olives and, after Oct. 31, hardened edible oil, hardened or unhardened lard, edible liquid oils, fish fillets, crab meat and shrimp; sets new specifications for canning tomato past, sauce and catsup; places additional restrictions on canning special dietary products; reduces quota for canning applesauce to 75 per cent of 1940-41 pack and provides that cans smaller than 10 lb. syrup or honey or 8 lb. lard pails may not be made with handles. Tobacco and snuff industry will be permitted to use frozen inventories of tinplate and blackplate to fabricate all metal containers until Oct. 1. After then, frozen stocks or blackplate re-jects may be used for tops and bottoms of fibre tobacco and snuff containers. After March 31, both products must be packed in all paper containers. Quantity of frozen burlap stocks made available by QPB for CCC purchase includes 7,372,000 yards lightweight burlap; 1,114,500 yds. heavyweight burlap and 45,000 yds. special construction burlap; total 8,531,876 yds. All the heavyweight burlap has been offered Pacific Coast bag manufacturers for grain bags. Balance of light-weight and special construction burlap will be offered bag manufacturers east of Rockies soon.

FARM LABOR: Manpower Commission has sent 8 directives to various government departments and agencies as part of program to coordinate information regarding available manpower and to channel it where needed in war-industry and agriculture. 1. Directive to USES (US Employment Service) to maintain lists of essential activities, essential occupations and critical war occupations; 2. Directive to WPB to furnish information as to relative importance of critical war products; 3. Directive to USES to expedite recruitment and placement of industrial workers; 4. Directive to USES to encourage transfers of workers to essential activities; 5. Directive to Selective Service System to keep local boards abreast of essential occupations and activities in deciding questions of deferment; 6. Directive to USES to expedite recruitment and placement of essential agricultural workers. USES would keep up estimates of available labor and anticipate requirements for workers; would recruit and place workers where needed; would establish and maintain recruiting and placing facilities where necessary; would solicit qualified farm labor on WPA, NYA and USDA projects, in rural and urban centers, youth groups and educational institutions; would provide for retention of qualified farm workers who otherwise might be recruited for placement in less essential industrial activities; would promote cooperative use of farm workers; would promote maximum utilization of transient workers; report to USDA need for housing. Provides USES shall not recruit workers for jobs where wages or work conditions are less advantageous to worker than those prevailing for similar work in the locality; 7. Directive to USDA to provide adequate housing and transportation for transient essential farm workers; 8. Directive to all interested government agencies to assure adequate transportation for all essential workers.

DEHYDRATION PROGRAM: Meat dehydration program, based on AMA purchases to encourage expansion of production, finally announced. Requests for offers of dehydrated meat, including complete specifications have been sent all processors who have indicated interest in program. Quantity to be purchased will be determined on basis of quality of samples submitted with offers. Dehydrated meat (beef only so far), is reduced by about 75 per cent in weight and 50 per cent in volume; means valuable savings in shipping space, packing, storage and handling operations and reduces need for refrigerated ships, and battleships for convoys.